



BRIEFING: BOARD MEETING AGENDA ITEM # 3

TO: Chairman Richard and Board Members

FROM: Small Business Program Team

DATE: September 11, 2012

RE: Industry Forum Update

Background

The California High-Speed Rail Authority (Authority) has hosted four (4) Industry Forums since April 2011 to inform the contracting community of the release and status of the Authority's construction bid packages and contracting opportunities. A critical component of the event planning and program development process was to advise the general contracting community of the Authority's Small Business Policy and to ensure ample access and opportunities for Small Businesses/Disadvantaged Business Enterprises/Disabled Veteran Business Enterprises and Microbusinesses (SB/DBE/DVBE/MB) to network with prospective Prime contractor teams.

The Industry Forum agenda opened with remarks from Authority representatives and local officials, followed by a comprehensive overview of the project, procurement process, delivery method and schedule and presentation about the Authority's SB/DBE Program and corresponding 30 percent overall SB goal.

SB resource partners joined the Authority in these important outreach efforts by providing small businesses and prospective prime contractors with essential business development; SB/DBE/DVBE/MB certification related services and resources readily available at little or at no cost to the small business community. The resource partners included, Small Business Administration, California Department of Veterans Affairs, Department of General Services, California Department of Transportation, U.S. Department of Commerce-Minority Business Development Agency, and City of Fresno.

The most recent Industry Forum held on August 14, 2012 at the Save Mart Center, Fresno California was attended by 648 registered guests representing 450 firms. This Industry Forum overview included a discussion on Construction Package 1, 2, 3 and 4. The forum represented the fourth (4th) event hosted by the Authority since April 2011, with over 3,000 participants attending.

The other three (3) forums were equally successful.

- On April 12, 2011, the Authority hosted a Request for Expressions of Interest Forum in Los Angeles with over 1100 registered guests representing 963 firms.
- On September 8, 2011, the Authority hosted an Industry Forum at the Save Mart Center in Fresno with over 900 registered guests representing 751 firms.
- On May 17, 2012, the Authority hosted a “Meet the Primes” featuring the five (5) Shortlisted teams, at the California State University Bakersfield with over 650 registered guests representing 486 firms. The focus of the Meet the Primes was for small businesses to have direct networking access to the five (5) Shortlisted firm’s representatives.

Discussion

The Industry Forums were well attended and supported by the local business communities, the input and anecdotal comments from business owners attending the forums were constructive and overall positive. A summary of the comments follows:

- Applaud the Board for approving a 30% SB goal, inclusive of a 10% DBE goal and 3% DVBE goal.
- Applaud the Board and Chief Executive Officer’s vision and leadership
- Applaud appointment of a Small Business Advocate
- Appreciate the direct access to the five (5) Short-listed Design Build teams through the Industry Forums and the teams hosting their own small business outreach events
- Dissemination of email notices and press releases were found to be very effective in reaching interested small businesses. Small businesses are alerted to the positive progress of the program funding, event announcements, and press releases
- Layout of event and program was conducive to engaging meaningful dialogue with prospective Design Build teams

Potential Barriers to SB Goal Attainment

Business owners also raised concerns which could adversely impact their ability to participate on this major infrastructure project. A summary of the concerns and potential barriers include:

- Access to bonding, insurance and capital
- Workforce selection, development and retention
- Non-union contractor participation
- Business development assistance
- Small business certification assistance
- Prompt payment

Next Steps

The Authority will continue to examine the potential barriers and evaluate effective remedies and solutions for the Authority’s future consideration.

The Authority will continue to meet the SB/DBE Program objectives by:

- Maintaining strong transparent communications
- Hosting Industry Forums with networking sessions
- Holding pre-bid/proposal conferences for non-Design Build contracts
- Participating in outreach events hosted by government agencies, Chambers and business trade associations
- Developing and posting on webpage small business development materials and contractor training
- Preparing a “How To Get Certified” toolkit and PowerPoint presentation
- Hosting Certification Workshops in conjunction with partnering agencies
- Developing and entering into Memorandum of Agreements (MOA) with government agencies to leverage resources, knowledge and small business services
- Issuing a Request for Proposal to select a consultant to provide Small Business Development Assistance
- Researching possible solutions to effectively address identified barriers to broaden participation of small businesses and maximize the Authority’s ability to meet the 30% SB goal.

Attachments

None